



## **State of Alaska, Japan Office Biweekly Seafood Narrative Report**

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### **Alaskan Sockeye Salmon**

Despite the good returns in the Copper River, after failed price negotiations there is report of a strike in False Pass and Chignik that may continue into this week.

Fish counts of the major fishing ground for Bristol Bay sockeye salmon, which started at Port Molar, show the earliest salmon return ever. Some of the major packers are reported to have offered 40 cents, the lowest price offered to date. Bristol Bay currently has an inventory of canned product due to increased production last year. As a result, packers will be leaning more toward the frozen market this year - which means the Japanese market. However, the Japanese market has been receiving large quantities of farmed salmon. With the current weak yen, it is unlikely that distributors and processors will obtain their desired prices. Consequently, the price gap this year promises to be fierce. Everyone will be carefully watching developments at Bristol Bay.

*(Nikkan Seafood News, June 19, 2001)*

### **Togiak Herring**

Negotiations over Togiak herring have started moving again. Importers, including the major players, have been reaching agreements at a negotiated base price of \$1,200 (350 grams and up), with 10% roe. Importers are offering \$1,050 for herring weighing less than 350 grams. Prices for fish with low roe rates are still under negotiation. After importers complete price negotiations with Alaskan packers, they will negotiate prices with the Japanese processors. It is expected that the importers' base price to the processors will be approx.

2,700 yen per kilo, and depending on roe, a possible 2,500 yen per kilo.

CFC and Nichirei have agreed on FOBC \$11.80 per lb. for first grade, L size B.C. roe herring and FOBC \$10.40 per lb. for Sitka herring. Importers' selling prices have been agreed at 2,500 yen per kilo and 2,200 yen per kilo, respectively. Under these circumstances, it would be difficult to put a higher price on roe herring from Togiak than from Sitka.

It is estimated that the total export of Alaskan herring to Japan will reach approx. 20,000 tons. Herring taken from Russian waters - approx. 1,000 tons.

**Purchase prices by each packer were estimated as follows:**

(unit: S ton)

**ONBOARD**

Icicle	- \$4,000
Trident	- \$1,800
Norquest	- \$4,000
Peter pan	- \$1,400
Snopac	- \$1,500

**ON SHORE**

Ocean Beauty	- \$2,000
Wards Cove	- \$1,500
Trident	- \$1,000
Yaku	- \$2,500
Woodbine	- \$1,400
Reader Creek	- \$ 800

*(Nikkan Seafood News, June 18, 2001)*

## **Salmon Roe**

Salmon roe (ikura/sujiko) sales in Japan have been declining significantly since last year's price increase. Many super markets are said to have sold less than half of what they did last year - a consequence of elevated retail prices that were higher than what the market could bear. Deflation has affected the economy and implementation of price adjustments may be necessary to lure consumers. Though processors would prefer to wait until the market recovers, retailers are not as patient.

As the cod roe (tarako) and pollock roe (mentaiko) prices are high there is an opportunity in the market for salmon roe sales, including this year's North American salmon roe. The high wholesale prices for Alaska salmon roe, this year, seem to have been set independently of the Japanese market, with some skeptics warranting the recognition of the low retail prices prevailing in the Japanese marketplace.

*(Nikkan Hokkai Keizai Newspaper, June 16, 2001)*